

# Public Act No. 11-195

AN ACT CONCERNING ELECTIONS OF THE EXECUTIVE BOARDS OF DIRECTORS OF CONDOMINIUM UNIT OWNERS' ASSOCIATIONS AND CHANGES TO THE COMMON INTEREST OWNERSHIP ACT.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Section 47-245 of the general statutes is amended by adding subsections (j) and (k) as follows (*Effective October 1, 2011*):

(NEW) (j) No person shall provide or offer to any executive board member or a person seeking election as an executive board member, and no executive board member or person seeking election as an executive board member shall accept, any item of value based on any understanding that the vote, official action or judgment of such member or person seeking election would be or has been influenced thereby.

(NEW) (k) No managing agent of an association or person providing association management services to such association shall campaign for any person seeking election as an executive board member.

Sec. 2. Section 47-239 of the general statutes is amended by adding subsection (f) as follows (*Effective October 1, 2011*):

- (NEW) (f) No person shall provide or offer to any member of the master association's executive board or a person seeking election as a member of the master association's executive board, and no member of the master association's executive board or a person seeking election as a member of the master association's executive board shall accept, any item of value based on any understanding that the vote, official action or judgment of such member or person seeking election would be or has been influenced thereby.
- Sec. 3. Section 20-458 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2011*):
- (a) No contract between a person contracting to provide association management services and an association which provides for the management of the association shall be valid or enforceable unless the contract is in writing and:
- (1) Provides that the person contracting to provide management services shall be registered as provided in sections 20-450 to 20-462, inclusive, and shall obtain a bond as provided in section 20-460; and
- (2) Provides that the person contracting to provide management services shall not issue a check on behalf of the association or transfer moneys exceeding a specified amount determined by the association without the written approval of an officer designated by the association; and
- (3) Provides that the person contracting to provide management services shall not enter into any contract binding the association exceeding a specified amount determined by the association, except in the case of an emergency, without the written approval of an officer designated by the association.
  - (b) No contract to provide management services [may be] shall:

- (1) Be sold or assigned to another person without the approval of a majority of the executive board of the association; or
- (2) Include any clause, covenant or agreement that indemnifies or holds harmless the person contracting to provide management services from or against any liability for loss or damage resulting from such person's negligence or wilful misconduct.
- Sec. 4. Section 47-278 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2011*):
- (a) A declarant, association, unit owner or any other person subject to this chapter may bring an action to enforce a right granted or obligation imposed by this chapter, the declaration or the bylaws. The court may award reasonable attorney's fees and costs.
- (b) Parties to a dispute arising under this chapter, the declaration or the bylaws may agree to resolve the dispute by any form of binding or nonbinding alternative dispute resolution, provided: (1) A declarant may agree with the association to do so only after the period of declarant control has expired; and (2) an agreement to submit to any form of binding alternative dispute resolution must be in a record authenticated by the parties.
- (c) (1) (A) Except as otherwise provided under subdivision (2) of this subsection, before an association brings an action or institutes a proceeding against a unit owner other than a declarant, the association shall schedule a hearing to be held during a regular or special meeting of the executive board and shall send a written notice by certified mail, return receipt requested, and by regular mail, to the unit owner at least ten business days prior to the date of such hearing. Such notice shall include a statement of the nature of the claim against the unit owner and the date, time and place of the hearing.
  - (B) The unit owner shall have the right to give testimony orally or in

writing at the hearing, either personally or through a representative, and the executive board shall consider such testimony in making a decision whether to bring an action or institute a proceeding against such unit owner.

- (C) The executive board shall make such decision and the association shall send such decision in writing by certified mail, return receipt requested, and by regular mail, to the unit owner, not later than thirty days after the hearing.
- (2) The provisions of subdivision (1) of this subsection shall not apply to an action brought by an association against a unit owner (A) to prevent immediate and irreparable harm, or (B) to foreclose a lien for an assessment attributable to a unit or fines imposed against a unit owner pursuant to section 47-258.
- (d) (1) Any unit owner other than a declarant, seeking to enforce a right granted or obligation imposed by this chapter, the declaration or the bylaws against the association or another unit owner other than a declarant, may submit a written request to the association for a hearing before the executive board. Such request shall include a statement of the nature of the claim against the association or another unit owner.
- (2) Not later than thirty days after the association receives such request, the association shall schedule a hearing to be held during a regular or special meeting of the executive board and shall send written notice by certified mail, return receipt requested, and by regular mail, to the unit owner at least ten business days prior to the date of such hearing. Such notice shall include the date, time and place of the hearing. Such hearing shall be held not later than forty-five days after the association receives such request.
- (3) The executive board shall make a decision on the unit owner's claim and the association shall send such decision in writing by

<u>certified mail, return receipt requested, and by regular mail, to the unit</u> owner, not later than thirty days after the hearing.

- (4) The failure of the association to comply with the provisions of this subsection shall not affect a unit owner's right to bring an action pursuant to subsection (a) of this section.
- Sec. 5. Subsection (b) of section 47-255 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2011*):
- (b) (1) In the case of a building that contains units divided by horizontal boundaries described in the declaration, or by vertical boundaries that comprise or are located within common walls between units, the insurance maintained under subdivision (1) of subsection (a) of this section, to the extent reasonably available, shall include the units, and all improvements and betterments installed by unit owners, unless the declaration limits the association's authority to insure all improvements and betterments or the executive board decides, after giving notice and an opportunity for unit owners to comment, not to insure such improvements and betterments. In the case of common interest communities containing more than twelve units, unless the association insures all improvements and betterments, the association shall:
- [(1)] (A) Prepare and maintain a schedule of the standard fixtures, improvements and betterments in the units, including any standard wall, floor and ceiling coverings covered by the association's insurance policy;
- [(2)] (B) Provide such schedule at least annually to the unit owners in order to enable unit owners to coordinate their homeowners insurance coverage with the coverage afforded by the association's insurance policy; and

- [(3)] (C) Include such schedule in any resale certificate prepared pursuant to section 47-270.
- (2) The provisions of this subsection shall not apply to a building in a common interest community that has not more than two units divided by a single horizontal or vertical boundary unless such common interest community voluntarily chooses to comply with this subsection.

Approved July 13, 2011